

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

RUBEN JUAREZ an individual and  
ISELA HERNANDEZ, an individual,  
Plaintiffs,

v.

PRECISION VALVE &  
AUTOMATION, INC., a corporation  
and DOES 1-20,  
Defendants.

CASE NO. 2:17-cv-03342

[Los Angeles County Superior Court  
Case No. BC650229]

**[PROPOSED] ORDER ON  
STIPULATED PROTECTIVE  
ORDER**

1. A. PURPOSES AND LIMITATIONS

Discovery in this action is likely to involve production of confidential, proprietary or private information for which special protection from public disclosure and from use for any purpose other than prosecuting this litigation may be warranted. Accordingly, the parties hereby stipulate to and petition the Court to enter the following Stipulated Protective Order. The parties acknowledge that this Order does not confer blanket protections on all disclosures or responses to discovery and that the protection it affords from public disclosure and use extends only to

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1 the limited information or items that are entitled to confidential treatment under  
 2 the applicable legal principles.

### 3 4 B. GOOD CAUSE STATEMENT

5 This action involves the production of computer code, sensitive data  
 6 regarding rocket propulsion, and other valuable technical and/or proprietary  
 7 information for which special protection from public disclosure and from use for  
 8 any purpose other than prosecution of this action is warranted. Such confidential  
 9 and proprietary materials and information consist of, among other things,  
 10 computer code, sensitive data regarding rocket propulsion and other valuable  
 11 technical and/or proprietary information, or information which may be privileged  
 12 or otherwise protected from disclosure under state or federal statutes, court rules,  
 13 case decisions, or common law. Accordingly, to expedite the flow of information,  
 14 to facilitate the prompt resolution of disputes over confidentiality of discovery  
 15 materials, to adequately protect information the parties are entitled to keep  
 16 confidential, to ensure that the parties are permitted reasonable necessary uses of  
 17 such material in preparation for and in the conduct of trial, to address their  
 18 handling at the end of the litigation, and serve the ends of justice, a protective  
 19 order for such information is justified in this matter. It is the intent of the parties  
 20 that information will not be designated as confidential for tactical reasons and that  
 21 nothing be so designated without a good faith belief that it has been maintained in  
 22 a confidential, non-public manner, and there is good cause why it should not be  
 23 part of the public record of this case.

### 24 25 C. ACKNOWLEDGMENT OF PROCEDURE FOR FILING UNDER SEAL

26 The parties further acknowledge, as set forth in Section 12.3, below, that this  
 27 Stipulated Protective Order does not entitle them to file confidential information  
 28 under seal; Local Civil Rule 79-5 sets forth the procedures that must be followed

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1 and the standards that will be applied when a party seeks permission from the  
2 court to file material under seal.

3 There is a strong presumption that the public has a right of access to  
4 judicial proceedings and records in civil cases. In connection with non-  
5 dispositive motions, good cause must be shown to support a filing under seal. *See*  
6 *Kamakana v. City and County of Honolulu*, 447 F.3d 1172, 1176 (9th Cir. 2006),  
7 *Phillips v. Gen. Motors Corp.*, 307 F.3d 1206, 1210-11 (9th Cir. 2002), *Makar-*  
8 *Welbon v. Sony Electronics, Inc.*, 187 F.R.D. 576, 577 (E.D. Wis. 1999) (even  
9 stipulated protective orders require good cause showing), and a specific showing  
10 of good cause or compelling reasons with proper evidentiary support and legal  
11 justification, must be made with respect to Protected Material that a party seeks to  
12 file under seal. The parties' mere designation of Disclosure or Discovery Material  
13 as CONFIDENTIAL does not—without the submission of competent evidence by  
14 declaration, establishing that the material sought to be filed under seal qualifies as  
15 confidential, privileged, or otherwise protectable—constitute good cause.

16 Further, if a party requests sealing related to a dispositive motion or trial,  
17 then compelling reasons, not only good cause, for the sealing must be shown, and  
18 the relief sought shall be narrowly tailored to serve the specific interest to be  
19 protected. *See Pintos v. Pacific Creditors Ass'n*, 605 F.3d 665, 677-79 (9th Cir.  
20 2010). For each item or type of information, document, or thing sought to be filed  
21 or introduced under seal in connection with a dispositive motion or trial, the party  
22 seeking protection must articulate compelling reasons, supported by specific facts  
23 and legal justification, for the requested sealing order. Again, competent evidence  
24 supporting the application to file documents under seal must be provided by  
25 declaration.

26 Any document that is not confidential, privileged, or otherwise protectable  
27 in its entirety will not be filed under seal if the confidential portions can be  
28 redacted. If documents can be redacted, then a redacted version for public

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viewing, omitting only the confidential, privileged, or otherwise protectable portions of the document, shall be filed. Any application that seeks to file documents under seal in their entirety should include an explanation of why redaction is not feasible.

## 2. DEFINITIONS

2.1 Action: [this pending federal lawsuit]. [\*Option: consolidated or related actions.]

2.2 Challenging Party: a Party or Non-Party that challenges the designation of information or items under this Order.

2.3 “CONFIDENTIAL” Information or Items: information (regardless of how it is generated, stored or maintained) or tangible things that qualify for protection under Federal Rule of Civil Procedure 26(c), and as specified above in the Good Cause Statement.

2.4 Counsel: Outside Counsel of Record and House Counsel (as well as their support staff).

2.5 Designating Party: a Party or Non-Party that designates information or items that it produces in disclosures or in responses to discovery as “CONFIDENTIAL.”

2.6 Disclosure or Discovery Material: all items or information, regardless of the medium or manner in which it is generated, stored, or maintained (including, among other things, testimony, transcripts, and tangible things), that are produced or generated in disclosures or responses to discovery in this matter.

2.7 Expert: a person with specialized knowledge or experience in a matter pertinent to the litigation who has been retained by a Party or its counsel to serve as an expert witness or as a consultant in this Action.

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1           2.8 House Counsel: attorneys who are employees of a party to this  
2 Action. House Counsel does not include Outside Counsel of Record or any other  
3 outside counsel.

4           2.9 Non-Party: any natural person, partnership, corporation, association  
5 or other legal entity not named as a Party to this action.

6           2.10 Outside Counsel of Record: attorneys who are not employees of a  
7 party to this Action but are retained to represent or advise a party to this Action  
8 and have appeared in this Action on behalf of that party or are affiliated with a  
9 law firm that has appeared on behalf of that party, and includes support staff.

10           2.11 Party: any party to this Action, including all of its officers, directors,  
11 employees, consultants, retained experts, and Outside Counsel of Record (and  
12 their support staffs).

13           2.12 Producing Party: a Party or Non-Party that produces Disclosure or  
14 Discovery Material in this Action.

15           2.13 Professional Vendors: persons or entities that provide litigation  
16 support services (e.g., photocopying, videotaping, translating, preparing exhibits  
17 or demonstrations, and organizing, storing, or retrieving data in any form or  
18 medium) and their employees and subcontractors.

19           2.14 Protected Material: any Disclosure or Discovery Material that is  
20 designated as "CONFIDENTIAL."

21           2.15 Receiving Party: a Party that receives Disclosure or Discovery  
22 Material from a Producing Party.

### 23 24           3. SCOPE

25           The protections conferred by this Stipulation and Order cover not only  
26 Protected Material (as defined above), but also (1) any information copied or  
27 extracted from Protected Material; (2) all copies, excerpts, summaries, or  
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1 compilations of Protected Material; and (3) any testimony, conversations, or  
 2 presentations by Parties or their Counsel that might reveal Protected Material.

3 Any use of Protected Material at trial shall be governed by the orders of the  
 4 trial judge. This Order does not govern the use of Protected Material at trial.

#### 6 4. DURATION

7 Once a case proceeds to trial, information that was designated as  
 8 CONFIDENTIAL or maintained pursuant to this protective order used or  
 9 introduced as an exhibit at trial becomes public and will be presumptively  
 10 available to all members of the public, including the press, unless compelling  
 11 reasons supported by specific factual findings to proceed otherwise are made to  
 12 the trial judge in advance of the trial. *See Kamakana*, 447 F.3d at 1180-81  
 13 (distinguishing “good cause” showing for sealing documents produced in  
 14 discovery from “compelling reasons” standard when merits-related documents are  
 15 part of court record). Accordingly, the terms of this protective order do not  
 16 extend beyond the commencement of the trial.

#### 18 5. DESIGNATING PROTECTED MATERIAL

19 5.1 Exercise of Restraint and Care in Designating Material for  
 20 Protection. Each Party or Non-Party that designates information or items for  
 21 protection under this Order must take care to limit any such designation to  
 22 specific material that qualifies under the appropriate standards. The Designating  
 23 Party must designate for protection only those parts of material, documents, items  
 24 or oral or written communications that qualify so that other portions of the  
 25 material, documents, items or communications for which protection is not  
 26 warranted are not swept unjustifiably within the ambit of this Order.

27 Mass, indiscriminate or routinized designations are prohibited.  
 28 Designations that are shown to be clearly unjustified or that have been made for

1 an improper purpose (e.g., to unnecessarily encumber the case development  
 2 process or to impose unnecessary expenses and burdens on other parties) may  
 3 expose the Designating Party to sanctions.

4 If it comes to a Designating Party's attention that information or items that  
 5 it designated for protection do not qualify for protection, that Designating Party  
 6 must promptly notify all other Parties that it is withdrawing the inapplicable  
 7 designation.

8 5.2 Manner and Timing of Designations. Except as otherwise provided  
 9 in this Order (see, e.g., second paragraph of section 5.2(a) below), or as otherwise  
 10 stipulated or ordered, Disclosure or Discovery Material that qualifies for  
 11 protection under this Order must be clearly so designated before the material is  
 12 disclosed or produced.

13 Designation in conformity with this Order requires:

14 (a) for information in documentary form (e.g., paper or electronic  
 15 documents, but excluding transcripts of depositions or other pretrial or trial  
 16 proceedings), that the Producing Party affix at a minimum, the legend  
 17 "CONFIDENTIAL" (hereinafter "CONFIDENTIAL legend"), to each page that  
 18 contains protected material. If only a portion of the material on a page qualifies  
 19 for protection, the Producing Party also must clearly identify the protected  
 20 portion(s) (e.g., by making appropriate markings in the margins).

21 A Party or Non-Party that makes original documents available for  
 22 inspection need not designate them for protection until after the inspecting Party  
 23 has indicated which documents it would like copied and produced. During the  
 24 inspection and before the designation, all of the material made available for  
 25 inspection shall be deemed "CONFIDENTIAL." After the inspecting Party has  
 26 identified the documents it wants copied and produced, the Producing Party must  
 27 determine which documents, or portions thereof, qualify for protection under this  
 28 Order. Then, before producing the specified documents, the Producing Party

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1 must affix the “CONFIDENTIAL legend” to each page that contains Protected  
 2 Material. If only a portion of the material on a page qualifies for protection, the  
 3 Producing Party also must clearly identify the protected portion(s) (e.g., by  
 4 making appropriate markings in the margins).

5 (b) for testimony given in depositions that the Designating Party identifies  
 6 the Disclosure or Discovery Material on the record, before the close of the  
 7 deposition all protected testimony.

8 (c) for information produced in some form other than documentary and for  
 9 any other tangible items, that the Producing Party affix in a prominent place on  
 10 the exterior of the container or containers in which the information is stored the  
 11 legend “CONFIDENTIAL.” If only a portion or portions of the information  
 12 warrants protection, the Producing Party, to the extent practicable, shall identify  
 13 the protected portion(s).

14 5.3 Inadvertent Failures to Designate. If timely corrected, an inadvertent  
 15 failure to designate qualified information or items does not, standing alone, waive  
 16 the Designating Party’s right to secure protection under this Order for such  
 17 material. Upon timely correction of a designation, the Receiving Party must make  
 18 reasonable efforts to assure that the material is treated in accordance with the  
 19 provisions of this Order.

## 20 21 6. CHALLENGING CONFIDENTIALITY DESIGNATIONS

22 6.1 Timing of Challenges. Any Party or Non-Party may challenge a  
 23 designation of confidentiality at any time that is consistent with the Court’s  
 24 Scheduling Order.

25 6.2 Meet and Confer. The Challenging Party shall initiate the dispute  
 26 resolution process under Local Rule 37.1 et seq.

27 6.3 The burden of persuasion in any such challenge proceeding shall be  
 28 on the Designating Party. Frivolous challenges, and those made for an improper



1 purpose (e.g., to harass or impose unnecessary expenses and burdens on other  
 2 parties) may expose the Challenging Party to sanctions. Unless the Designating  
 3 Party has waived or withdrawn the confidentiality designation, all parties shall  
 4 continue to afford the material in question the level of protection to which it is  
 5 entitled under the Producing Party's designation until the Court rules on the  
 6 challenge.

## 7. ACCESS TO AND USE OF PROTECTED MATERIAL

9 7.1 Basic Principles. A Receiving Party may use Protected Material that  
 10 is disclosed or produced by another Party or by a Non-Party in connection with  
 11 this Action only for prosecuting, defending or attempting to settle this Action.  
 12 Such Protected Material may be disclosed only to the categories of persons and  
 13 under the conditions described in this Order. When the Action has been  
 14 terminated, a Receiving Party must comply with the provisions of section 13  
 15 below (FINAL DISPOSITION).

16 Protected Material must be stored and maintained by a Receiving Party at a  
 17 location and in a secure manner that ensures that access is limited to the persons  
 18 authorized under this Order.

19 7.2 Disclosure of "CONFIDENTIAL" Information or Items. Unless  
 20 otherwise ordered by the court or permitted in writing by the Designating Party, a  
 21 Receiving Party may disclose any information or item designated  
 22 "CONFIDENTIAL" only to:

23 (a) the Receiving Party's Outside Counsel of Record in this Action, as well  
 24 as employees of said Outside Counsel of Record to whom it is reasonably  
 25 necessary to disclose the information for this Action;

26 (b) the officers, directors, and employees (including House Counsel) of the  
 27 Receiving Party to whom disclosure is reasonably necessary for this Action;  
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(c) Experts (as defined in this Order) of the Receiving Party to whom disclosure is reasonably necessary for this Action and who have signed the “Acknowledgment and Agreement to Be Bound” (Exhibit A);

(d) the court and its personnel;

(e) court reporters and their staff;

(f) professional jury or trial consultants, mock jurors, and Professional Vendors to whom disclosure is reasonably necessary for this Action and who have signed the “Acknowledgment and Agreement to Be Bound” (Exhibit A);

(g) the author or recipient of a document containing the information or a custodian or other person who otherwise possessed or knew the information;

(h) during their depositions, witnesses, and attorneys for witnesses, in the Action to whom disclosure is reasonably necessary provided: (1) the deposing party requests that the witness sign the form attached as Exhibit 1 hereto; and (2) they will not be permitted to keep any confidential information unless they sign the “Acknowledgment and Agreement to Be Bound” (Exhibit A), unless otherwise agreed by the Designating Party or ordered by the court. Pages of transcribed deposition testimony or exhibits to depositions that reveal Protected Material may be separately bound by the court reporter and may not be disclosed to anyone except as permitted under this Stipulated Protective Order; and

(i) any mediator or settlement officer, and their supporting personnel, mutually agreed upon by any of the parties engaged in settlement discussions.

## 8. PROTECTED MATERIAL SUBPOENAED OR ORDERED PRODUCED IN OTHER LITIGATION

If a Party is served with a subpoena or a court order issued in other litigation that compels disclosure of any information or items designated in this Action as “CONFIDENTIAL,” that Party must:

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1 (a) promptly notify in writing the Designating Party. Such notification  
2 shall include a copy of the subpoena or court order;

3 (b) promptly notify in writing the party who caused the subpoena or order  
4 to issue in the other litigation that some or all of the material covered by the  
5 subpoena or order is subject to this Protective Order. Such notification shall  
6 include a copy of this Stipulated Protective Order; and

7 (c) cooperate with respect to all reasonable procedures sought to be  
8 pursued by the Designating Party whose Protected Material may be affected.

9 If the Designating Party timely seeks a protective order, the Party served  
10 with the subpoena or court order shall not produce any information designated in  
11 this action as "CONFIDENTIAL" before a determination by the court from which  
12 the subpoena or order issued, unless the Party has obtained the Designating  
13 Party's permission. The Designating Party shall bear the burden and expense of  
14 seeking protection in that court of its confidential material and nothing in these  
15 provisions should be construed as authorizing or encouraging a Receiving Party in  
16 this Action to disobey a lawful directive from another court.

17  
18 9. A NON-PARTY'S PROTECTED MATERIAL SOUGHT TO BE  
19 PRODUCED IN THIS LITIGATION

20 (a) The terms of this Order are applicable to information produced by a  
21 Non-Party in this Action and designated as "CONFIDENTIAL." Such  
22 information produced by Non-Parties in connection with this litigation is  
23 protected by the remedies and relief provided by this Order. Nothing in these  
24 provisions should be construed as prohibiting a Non-Party from seeking  
25 additional protections.

26 (b) In the event that a Party is required, by a valid discovery request, to  
27 produce a Non-Party's confidential information in its possession, and the Party is  
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1 subject to an agreement with the Non-Party not to produce the Non-Party's  
 2 confidential information, then the Party shall:

3 (1) promptly notify in writing the Requesting Party and the Non-Party that  
 4 some or all of the information requested is subject to a confidentiality agreement  
 5 with a Non-Party;

6 (2) promptly provide the Non-Party with a copy of the Stipulated  
 7 Protective Order in this Action, the relevant discovery request(s), and a  
 8 reasonably specific description of the information requested; and

9 (3) make the information requested available for inspection by the Non-  
 10 Party, if requested.

11 (c) If the Non-Party fails to seek a protective order from this court within  
 12 14 days of receiving the notice and accompanying information, the Receiving  
 13 Party may produce the Non-Party's confidential information responsive to the  
 14 discovery request. If the Non-Party timely seeks a protective order, the Receiving  
 15 Party shall not produce any information in its possession or control that is subject  
 16 to the confidentiality agreement with the Non-Party before a determination by the  
 17 court. Absent a court order to the contrary, the Non-Party shall bear the burden  
 18 and expense of seeking protection in this court of its Protected Material.  
 19

## 20 10. UNAUTHORIZED DISCLOSURE OF PROTECTED MATERIAL

21 If a Receiving Party learns that, by inadvertence or otherwise, it has  
 22 disclosed Protected Material to any person or in any circumstance not authorized  
 23 under this Stipulated Protective Order, the Receiving Party must immediately (a)  
 24 notify in writing the Designating Party of the unauthorized disclosures, (b) use its  
 25 best efforts to retrieve all unauthorized copies of the Protected Material, (c)  
 26 inform the person or persons to whom unauthorized disclosures were made of all  
 27 the terms of this Order, and (d) request such person or persons to execute the  
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1 “Acknowledgment and Agreement to Be Bound” that is attached hereto as Exhibit  
2 A.

3  
4 11. INADVERTENT PRODUCTION OF PRIVILEGED OR OTHERWISE  
5 PROTECTED MATERIAL

6 When a Producing Party gives notice to Receiving Parties that certain  
7 inadvertently produced material is subject to a claim of privilege or other  
8 protection, the obligations of the Receiving Parties are those set forth in Federal  
9 Rule of Civil Procedure 26(b)(5)(B). This provision is not intended to modify  
10 whatever procedure may be established in an e-discovery order that provides for  
11 production without prior privilege review. Pursuant to Federal Rule of Evidence  
12 502(d) and (e), insofar as the parties reach an agreement on the effect of  
13 disclosure of a communication or information covered by the attorney-client  
14 privilege or work product protection, the parties may incorporate their agreement  
15 in the stipulated protective order submitted to the court.

16  
17 12. MISCELLANEOUS

18 12.1 Right to Further Relief. Nothing in this Order abridges the right of  
19 any person to seek its modification by the Court in the future.

20 12.2 Right to Assert Other Objections. By stipulating to the entry of this  
21 Protective Order, no Party waives any right it otherwise would have to object to  
22 disclosing or producing any information or item on any ground not addressed in  
23 this Stipulated Protective Order. Similarly, no Party waives any right to object on  
24 any ground to use in evidence of any of the material covered by this Protective  
25 Order.

26 12.3 Filing Protected Material. A Party that seeks to file under seal any  
27 Protected Material must comply with Local Civil Rule 79-5. Protected Material  
28 may only be filed under seal pursuant to a court order authorizing the sealing of

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1 the specific Protected Material at issue. If a Party's request to file Protected  
 2 Material under seal is denied by the court, then the Receiving Party may file the  
 3 information in the public record unless otherwise instructed by the court.

4  
 5 13. FINAL DISPOSITION

6 After the final disposition of this Action, as defined in paragraph 4, within  
 7 60 days of a written request by the Designating Party, each Receiving Party must  
 8 return all Protected Material to the Producing Party or destroy such material. As  
 9 used in this subdivision, "all Protected Material" includes all copies, abstracts,  
 10 compilations, summaries, and any other format reproducing or capturing any of  
 11 the Protected Material. Whether the Protected Material is returned or destroyed,  
 12 the Receiving Party must submit a written certification to the Producing Party  
 13 (and, if not the same person or entity, to the Designating Party) by the 60 day  
 14 deadline that (1) identifies (by category, where appropriate) all the Protected  
 15 Material that was returned or destroyed and (2) affirms that the Receiving Party  
 16 has not retained any copies, abstracts, compilations, summaries or any other  
 17 format reproducing or capturing any of the Protected Material. Notwithstanding  
 18 this provision, Counsel are entitled to retain an archival copy of all pleadings,  
 19 motion papers, trial, deposition, and hearing transcripts, deposition and trial  
 20 exhibits, expert reports, even if such materials contain Protected Material. Any  
 21 such archival copies that contain or constitute Protected Material remain subject  
 22 to this Protective Order.

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14. VIOLATION

Any violation of this Order may be punished by appropriate measures including, without limitation, contempt proceedings and/or monetary sanctions.

BASED ON THE PARTIES' STIPULATION  
AND FOR GOOD CAUSE SHOWN, IT IS SO ORDERED.

DATED: \_\_\_\_\_

\_\_\_\_\_  
HON. GAIL J. STANDISH  
United States Magistrate Judge

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